



1997 SENATE BILL 52

February 5, 1997 - Introduced by Senators MOEN, DECKER and ZIEN, cosponsored by Representatives KREIBICH, LINTON, MEYER, SCHAFER, BOYLE, GRONEMUS and SERATTI. Referred to Committee on Finance.

- 1 **AN ACT relating to:** the expenditure of \$23,850 from moneys appropriated to the
2 department of transportation for payment of a claim against the state made by
3 Barbara Hestekin.

Analysis by the Legislative Reference Bureau

This bill directs expenditure of \$23,850 from moneys appropriated to the department of transportation (DOT) for the 1995-97 fiscal biennium for state trunk highway improvements and certain other purposes in payment of a claim made by Barbara Hestekin against DOT. In 1991, DOT condemned the property on which the claimant's home was located in the city of Eau Claire for a highway expansion project. The claimant is disabled and receives social security disability payments. At the time of the condemnation, her home was appraised at \$37,000 with 2 mortgages of \$31,203.76 and \$5,501.66. She received a subsidy from disability insurance of \$125 per month on her first mortgage payment of \$300 per month and her 2nd mortgage payment of \$140 per month was paid entirely by her disability insurance. DOT purchased the claimant's home for \$39,000. After paying the balances due on her mortgages and taxes, DOT paid \$1,000.20 to the claimant. DOT also paid the claimant \$2,415.50 for moving expenses and closing costs on a new home. The claimant was unable to qualify for financing for a new home on her own signature. With the assistance of a cosigner, she obtained financing for \$34,000 on a new home. DOT denied the claimant's application for relocation assistance because her new home was not of comparable value, she had a cosigner and the home was purchased without a DOT-required inspection. The claimant claimed \$18,614 for

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lost monthly subsidies on her original first mortgage, \$5,502 for lost disability insurance on her original 2nd mortgage and \$5,150 for relocation assistance from DOT for which she could not qualify. (The total for these 3 components was rounded to \$29,000.) She also claimed \$1,040 for storage charges incurred from 1992 to 1994 to store belongings that would not fit into her new, smaller home (total = \$30,140). On June 28, 1995, the claims board recommended payment of \$6,256.39, representing the relocation assistance for which the claimant could not qualify (\$5,150) plus 9% interest from December 1, 1992, to February 23, 1995 (\$1,106.39). See 1995 *Senate Journal*, p. 416.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1. Claim against the state.** There is directed to be expended from
2 the appropriation under section 20.395 (3) (cq) of the statutes, as affected by the acts
3 of 1995 and 1997, \$23,850 in payment of a claim against the state made by Barbara
4 Hestekin, Eau Claire, Wisconsin, to compensate her for relocation assistance for
5 which she could not qualify when the department of transportation condemned her
6 home in 1991 for a highway expansion project, plus interest. Acceptance of this
7 payment releases this state, its officers, employes and agents from any further claim
8 resulting from this condemnation and any damages incurred by the claimant related
9 thereto.

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(END)